

STATE BUDGET AND CONTROL BOARD

REGULAR SESSION

MEETING OF June 17, 2008

ITEM NUMBER /

AGENCY: Retirement Division

SUBJECT: System Valuations as of July 1, 2007, SCRS Experience Study

The laws governing the operation of the South Carolina Retirement Systems provide that actuarial valuations of the assets and liabilities of the Systems shall be made annually.

Each year a valuation is conducted on the five defined benefit plans administered by the Retirement Division. Based on the results of the July 1, 2007 valuations, the consulting actuaries determined that the valuations appropriately reflect the Systems' long term obligations and the current schedules of contributions are sufficient to fund the liabilities of the Systems over a reasonable time frame, and based on these criteria, the Systems may be deemed actuarially sound.

In addition, South Carolina Code, Section 9-1-250 requires that an experience study be conducted for the South Carolina Retirement System (SCRS) at least once in each five-year period. The experience study analyzes actual economic and demographic trends of the System as compared to current assumptions and based on the results of the study, Milliman, Inc, consulting actuary for the Retirement Systems, provided recommended adjustments to the assumptions.

Assets of the five individual Retirement Systems are consolidated and pooled together for investment purposes. Therefore, the recommended assumption changes specifically related to investments (rate of return and asset smoothing assumptions) apply universally to the Systems: SCRS, PORs, GARS, JSRS and NGRS.

BOARD ACTION REQUESTED:

Accept the valuations as information and adopt the actuarial assumption changes recommended in the experience study for SCRS, in addition to adopting the investment return and asset smoothing assumption changes for all five Systems.

ATTACHMENTS:

Agenda item worksheet; SCRS Valuation; PORs Valuation; GARS Valuation; JSRS Valuation; NGRS Valuation; SCRS Experience Study; Summary of Results

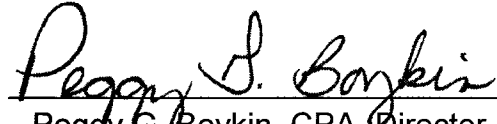
BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET

For meeting scheduled for:
June 17, 2008

Blue Agenda
X Regular Session
Executive Session

1. Submitted by:

- (a) Agency: BC&B Retirement Division
(b) Authorized Official Signature


Peggy G. Boykin, CPA, Director

2. Subject: System Valuations as of July 1, 2007, SCRS Experience Study

3. Summary Background Information:

The laws governing the operation of the South Carolina Retirement Systems provide that actuarial valuations of the assets and liabilities of the Systems shall be made annually.

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4. What is Board asked to do?

Accept the valuations as information and adopt the actuarial assumption changes recommended in the experience study for SCRS, in addition to adopting the investment return and asset smoothing assumption changes for all five Systems.

5. What is recommendation of the Board division involved?

Accept the valuations as information and adopt the actuarial assumption changes recommended in the experience study for SCRS, in addition to adopting the investment return and asset smoothing assumption changes for all five Systems.

6. Recommendation of other office (as required)?

Office Name	Authorized Signature
_____	_____

7. Supporting Documents:

List those attached:

- SCRS Valuation
- PORS Valuation
- GARS Valuation
- JSRS Valuation
- NGRS Valuation
- SCRS Experience Study
- Summary of Results

**List those not attached
but available:**